

# Clark County 4-H Clubs and Committees



## Fundraising and Financial Management Binder



## Best Practices for Clark Co. 4-H Club/Committee Fundraising

### When Should Your Club/Committee Raise Funds?

- To conduct educational programs and activities
- To support successful participation and recognition of all members

### Spend Funds Raised on the Purpose(s) They Were Raised For

- Money raised should be spent for what it was intended for. If you advertise the funds raised will be used for members to participate in 4-H Camp, then the funds raised need to be used to send members to 4-H Camp not to purchase Fair passes.
- Expenditures of the funds should be outlined in a budget and/or approved by the club members and documented in the club's minutes.

### Don't Conduct a Fundraiser Unless You Are Doing So to Meet One or More of These Acceptable Ways to Spend Club/Committee Funds...

- Attend educational tour or workshop - open to all members.
- Paying for club member camperships (available to all members eligible to go to camp, money must be sent to the entity collecting camp fees not given to the member directly).
- Conduct fundraiser or service activity where proceeds benefit a non-profit organization (giving check to the organization, buying gifts/food to deliver to a sponsored family, etc.).
- Paying for a guest speaker, presenter, or judge.
- Paying for an end of year recognition banquet, pizza party, etc. for all members.
- Purchasing club t-shirts for all members.
- Purchasing 4-H project books for all members.
- Sponsoring awards for Jr. Fair or a 4-H show or event.
- Sponsoring countywide awards and/or trips.
- Buying fair passes for all members.
- Contributing to a Jr. Fair or 4-H improvement project.
- Purchasing supplies for club booth and barn decorations and signage for all members.

This is not a complete list, but an example of the most common acceptable ways 4-H club/committee funds are used. If you have questions whether an intended purpose is acceptable, please contact [house.18@osu.edu](mailto:house.18@osu.edu) or 937-398-7599.

### Prohibited Ways to Spend 4-H Club Funds

- Alcohol, tobacco, or fireworks.
- Paying an individual (cash or gift cards) unless it is a receipt of reimbursement for an approved club purchase OR pre advertised with all members eligible for a scholarship or other competition. Qualifications must be in writing and voted on and approved by the club/committee and included in the minutes. This includes giving members cash to spend at the fair. Coupons for a sandwich at the fair booth are acceptable, as long as all club members receive it and it was voted on and approved by club membership and included in club minutes.
- Political campaigns, including county 4-H levies.
- Trips or events that are not educational in nature.



## Best Practices for Clark Co. 4-H Club/Committee Fundraising

### Obtain Club Fundraising Approval Before Conducting a Fundraiser

- Must complete the current Clark County 4-H Club Fundraiser Request Form at least 30 days prior to your fundraiser for review and approval by the 4-H Educator. Go to <https://go.osu.edu/2024clarkco4hfundraiserrequest>
- This is required to help us know when a 4-H fundraiser is being done in case we get a call in the Extension Office. As well as to insure that the fundraiser being conducted does not violate a Ohio or National 4-H Fundraising Policy.



### What 4-H Fundraisers ARE NOT Permitted?



**Games of chance (e.g. raffles, lotteries, BINGO, etc.) are NOT permitted.** Refer to OSU Extension Fund Raising: Raffles, Bingo, Games of Chance for more information.



**Items may not be sold that have alcoholic beverages in them (e.g. silent auction with wine included).** Gift certificates to a winery are permissible because the winery would be responsible for confirming age eligibility of the purchaser. However, even that should be avoided if the 4-H fundraiser as youth participants actively engaged in the fundraiser.



**Kiss the Animal and Petting Zoos.** Do to zoonotic diseases, public health issues and liability, 4-H Clubs and Committees should not be conducting or involved in these fundraisers or events even if done by another organization.

### What 4-H Fundraisers ARE Permitted with Special Criteria?



**Food related fundraisers are permitted, but REQUIRE that food safety requirements are met. Examples (food concessions, pancake breakfast, etc.)** These include at least one adult having a current Occasional Quantity Cook Certification, obtaining local health department food vendor's license, permits, necessary labeling of product and any other necessary requirements. Please contact the Clark County Combined Health at 937-390-5600.

**To complete the on-Line Occasional Quantity Cook Certification,** contact Linda Newman [newman.221@osu.edu](mailto:newman.221@osu.edu) for the code. This certification is good for 3 years.









The 4-H Ice Cream stand during the Clark County Fair is an example. Annually, 4-H Clubs have the opportunity to support this countywide fundraiser by signing up to work one or more shifts to dip and serve ice cream. To sign up for a shift, complete the 2024 Clark Co. 4-H Club Ice Cream Dipping Sign-Up Request at

<https://go.osu.edu/2024clarkco4hiccreamdippingsignup>



## Best Practices for Clark Co. 4-H Club/Committee Fundraising

### Fundraisers Your 4-H Club May Want to Consider

-  Sell water, soda, other drinks at a community event. Will need to obtain permission from the event sponsor.
-  Selling pizza kits, frozen food, candy bars, beef sticks, or other pre-packaged or commercial prepared food items. Deal with a reputable business. Do not sell during the Clark County Frozen Food and Candy Bar Fundraising timeframe - March 1-May 22.
-  Silent and/or live auctions - Make sure items in the auction are permitted by law or Ohio 4-H policy. If you have questions, please contact [house.18@osu.edu](mailto:house.18@osu.edu).
-  Event Sponsorship that involves participation fees (e.g. tack sale, sports tournament (kickball, golf, corn hole, etc.), run/walk, carnival, etc.). This type of fundraiser will likely require collaboration with a location host and will require people power to facilitate activities. Liability insurance will be an additional cost to the 4-H club/committee.
-  Work community events/clean up areas (e.g. clean stalls at fairgrounds/Champion Center, parking admittance, chair and table set-up and tear down, grandstands clean up, post festival clean up, etc.).
-  Carwash, Garage Sale, Recycling Drive
-  Dine to Donate - Select a local restaurant that offers this opportunity, set a date and promote through your club's social media and encourage members to promote with family and friends to attend.
-  Shop Reward/Rebate Programs - Sign up with local stores that offer these programs. Promote through your club's social media and encourage members to promote with family and friends to use to raise dollars for your 4-H club/committee.



**What 4-H  
Fundraiser  
Has Your 4-H  
Club/  
Committee  
Done or Do  
You Plan to  
Do?**

[clark.osu.edu](http://clark.osu.edu)



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## Best Practices for Clark Co. 4-H Club/Committee Fundraising

### Are Fundraisers Taxable?

Please use the table below to help guide your understanding of what fundraisers may be taxable. If you have questions, please don't hesitate to contact [house.18@osu.edu](mailto:house.18@osu.edu)

Fund-raiser Item or Service	Taxable Service
Plants	NO, if less than 6 days of sales
Food Consumed Off Premise (i.e. – bake sales)	NO
Car Washes	YES, if you charge a set fee NO, if a donation is requested
Coupon Books	NO
Magazines	NO (if mailed 2 <sup>nd</sup> class)
Clothing	NO, if less than 6 days of sales
Crafts	NO, if less than 6 days of sales
Candy Bars	NO
Landscape Services	NO, (if sales total less than \$5,000)
Cookbooks	NO, if less than 6 days of sales
Calendars	NO, if less than 6 days of sales



### Alternative Fund Generation in Lieu of Fundraising

- **Charge dues and/or activity fees**, but need to list the exact amount in your 4-H club by-laws and include how dues/fees will benefit the membership. Example: \$5 per member to be used for meeting refreshments, supplies for educational activities at meetings, etc.
- **Seek Sponsorship or Donations From Businesses**. Some businesses may want proof of tax exempt status including an official tax exempt letter. These letters must be obtained from Ohio 4-H by the 4-H Extension Educator. If you find that you need one of these letters, please e-mail [house.18@osu.edu](mailto:house.18@osu.edu), with the name of the business and address and your request from this business (monetary donation or goods and services). **Make sure that you send a thank you to any individual or business to donate to the 4-H club/committee.** This should be done within business days of receiving the donation.

### Why Are We Fundraising When We Have a Large Carryover?

4-H Clubs and committees should limit carryover dollars. The money raised by a membership should be used for the goals of that membership. The exception would be if funds are targeted for a specific trip, project, program, etc. 4-H Clubs/Committees should not continue to fundraise without a plan to spend down carryover for the intentions that it was raised over. This should be outlined in the club/committees yearly budget, reviewed, discussed and approved by the membership and recorded in the minutes.

### Concerns About 4-H Club/Committee Fundraising/Finances

Any individual or group with concern about the way a 4-H club/committee is raising and/or spending its funds, should contact Patty House, 4-H Extension Educator either in person, by phone or in writing. The 4-H Educator will work with the club/committee leadership to address the concern and take appropriate action(s), if the 4-H club/committee is not following 4-H policies and procedures regarding the raising and spending of dollars raised or obtained in the name of 4-H.

[clark.osu.edu](http://clark.osu.edu)



## Best Practices for Handling Clark County 4-H Club & Committee Finances

- **Be transparent regarding your 4-H Club or Committee finances.** Everyone needs to know as much about your club or committee's finances as the treasurer. This requires commitment of multiple 4-H volunteers and officers within your 4-H club or committee.
- **If your 4-H Club or Committee collects or spends money for any reason, they need to open a checking account with a FDIC approved institution.** Clubs may not have a savings accounts. Committees may have a savings account in addition to a checking account
  - A. **Open the checking account in the 4-H Club or Committee's name,** not an individual name.
  - B. **DO NOT** use a personal social security number to open the bank account.
  - C. **You must obtain an EIN (employer identification number) by completing the SS-4 Form.** Apply using a unique name for your 4-H Club or Committee (example Clever Clovers of Clark County).
- **Two signatures are required!** There should be at least two authorized signers on your 4-H Club's or Committee's bank account. These individuals **SHOULD NOT** be related. The membership should elect or appoint the authorized signers.



**Example:** 4-H Club or Committee treasurer, assistant treasurer, another club or committee officer, 4-H approved volunteer(s) with the club or committee.



**Important Note:** For 4-H clubs: There must be at least one 4-H official volunteer authorized signer in addition to the club's treasurer. If the bank will not allow a minor on the account, then there should be two official 4-H volunteers.

- **Check's written by your club's or committee's treasurer should be signed by two authorized signers that are unrelated.** Checks should never be pre-signed. Checks written to reimburse one of the authorized signers, should not be signed by that person.
- **Send bank statements to a non-check signer to review and reconcile the bank account.** This person is responsible to meet with the treasurer to review checkbook ledger, financial records and balance/reconcile the bank account. After review, give bank statement to the treasurer to include with financial records.
- **Debit/credit card are not the preferred method for payments,** but are permitted, as long as expenses are pre-approved, itemized receipts provided, and data is properly recorded in ledger.
- **Do Not Obtain a Club/Committee Venmo, PayPal or other similar account.** These are not approved by OSU Legal for use by 4-H clubs/committees.



# Best Practices for Handling Clark County 4-H Club & Committee Finances

## Document All Expenses!

- A. 4-H Club and Committee officers or the Finance Committee should create an annual budget. This budget should be presented to the 4-H club or committee membership for changes and approval. Action should be voted on and recorded in the 4-H Club or Committee's Secretary's minutes.
- B. Approve expenditures at a 4-H Club or Committee meeting, BEFORE writing a check. Expenditures covered in an approved budget, do not need a second approval unless there are changes. The budget should then be amended and approved by the 4-H Club or Committee membership.
- C. Use the Clark County 4-H Club or Committee Request for Reimbursement Form to track reimbursement payments to Club and Committee membership and others making purchases on the 4-H Club or Committee's behalf. The individual requesting reimbursement should complete the reimbursement form and attach the original receipt(s) for reimbursement. Write the check number on the reimbursement form and file with the financial records.
- D. Never Reimburse Anyone or pay any bill in cash! You need a paper trail and cash does not provide a paper trail.
- E. Keep receipts and invoices with bank statements and financial records. Write the check number and date paid on the receipt and/or invoice. When the check that was used for payment clears the bank (reported on the bank statement), staple the receipt to the corresponding bank statement.
- F. Make Contact with People to Clear 4-H Club or Committee Outstanding Checks. If a check goes 60 days and has not cleared, contact the person the check was written to and ask them to cash or deposit the check.
- G. Write on the memo line of ALL CHECKS the purpose of the expenditure. (example: cash - change for club bake sale, awards for dog show, etc.)
- H. Record all EXPENDITURES on your 4-H Club or Committee's Financial Record and checkbook register in a timely manner. Your financial record can be a hard copy ledger, a computer program and/or you can use the Financial Record Ledger provided in your Clark County 4-H Club & Committee Financial Binder & available on-line at [clark.osu.edu](http://clark.osu.edu).



# Best Practices for Handling Clark County 4-H Club & Committee Finances

## • Document All Income!

- A. Use a carbon receipt book for all cash transactions. Have two club or committee members count the cash and sign and date the 4-H Club and Committee Cash Accounting Form. Give to 4-H Club or Committee Treasurer for immediate deposit into the bank account.
- B. Use the Deposit Documentation Form to record all cash and checks deposited. Attach a copy of your deposit slip to this form and keep with your financial records. Attach with the bank statement where the deposit shows on the account.
- C. Deposit Income (cash and checks) within 3 to 5 days!
- D. Use the 4-H Project Book Order Tracking Form to track money received for 4-H project books and distribution of those books to club members. This will help with completing the Publication Order Form and avoiding misunderstandings with members and parents/legal guardians.
- E. Use the 4-H Club Dues and County Activity Fee Tracking Form to track money received from members/cloverbuds and parents for these fees. Use to help you complete the Club County Activity Fee Form for your club and pay the Clark County 4-H Advisory Committee by the established annual deadline for county activity fees. If payment is received late, a \$5 per member and cloverbud fee will be charged.
- F. Record all INCOME on your 4-H Club or Committee's Financial Record and checkbook register in a timely manner. Your financial record can be a hard copy ledger, a computer program and/or you can use the Financial Record Ledger provided in your Clark County 4-H Club and Committee Financial Binder & available on-line at [clark.osu.edu](http://clark.osu.edu).
- G. Complete the Clark County Club Fundraising Request Form at least 30 days prior to any 4-H Club Fundraiser. Submit to the Clark County Extension Office 4-H Extension Educator for review and approval. Do not conduct a similar fundraiser to the Clark County 4-H Program annual fundraiser during the same time period.





## Best Practices for Handling Clark County 4-H Club & Committee Finances

- **Keep Accurate Records!**
  - A. **The 4-H Club or Committee Treasurer needs to give a WRITTEN treasurer's report at every meeting!** Use the 4-H Club or Committee Treasurer's Report Form or create your own.
  - B. **Provide COPIES of the Treasurer's Report to the 4-H club or committee membership!** File a copy with the 4-H club or committee's secretary for audit purposes. Documentation of a treasurer's report given should be noted in the Secretary's minutes and approved by the club or committee's membership. Keep a copy with the 4-H club or committee's financial records.
  - C. **Keep Original Bank Statements in the 4-H Club's or Committee's Financial Binder and bring to every 4-H Club or Committee meeting.** Make bank statements available for the 4-H club and committee membership to review. If your club or committee uses on-line banking, statements and images of cancelled checks must be printed every month and brought to the meetings.
  - D. **Record All Transactions in the Checkbook Register and the 4-H Club or Committee's Financial Transactions Record/Ledger.** This on-going financial record of both income and expenses can be kept as a hardcopy or electronically using a computer program. Regardless of the method used, transactions should be recorded in a timely manner and kept up-to-date.
- E. **Keep hardcopies of all bank statements and financial records for 7 Years!**



- **Annually Review and Audit 4-H Club and Committee Financial Records!**  
Use and complete the Clark County 4-H Club's and Committee's Annual Financial Review and Audit Form. Submit completed form to the Clark Co. Ext. Office by **April 15**

- A. **The Treasurer, Reconciler & Check Signers may not be part of the Review and Audit Committee.** They should be present to answer questions and provide all financial documentation for the annual review and audit.
- B. **The Review and Audit Committee should consist of four members of the club or committee.**
  - ☞ **4-H Clubs:** May include two youth, two 4-H volunteers, two parents or a combination of those not related to each other.
  - ☞ **4-H Committees:** The Finance Committee or another group identified by the committee membership at their meeting.
- C. **The Review and Audit committee should present their completed report at the next 4-H club or committee meeting.** Actions taken by the club or committee membership should be reflected in the secretary's minutes.



## Best Practices for Handling Clark County 4-H Club & Committee Finances

- Complete and Return Required Financial Reports to the Clark County Extension Office by Designated Deadlines!**

A. **Yearly Financial Summary Report: Complete and return by January 31st.**

Use the Clark County 4-H Club & Committee Yearly Financial Summary or the Ohio 4-H Club/Affiliate Yearly Financial Summary available on-line. Regardless of the form you complete, you must provide a complete listing of all your 4-H Club or Committee's Income and Expenses. You may use your 4-H Club or Committee Approved Budget Categories to summarize on the form and then attach your 4-H Club or Committee Financial Record of Treasury Transactions. 4-H Clubs and Committees with Non-Monetary Assets should attach their Equipment, Supplies and Materials Inventory as well.

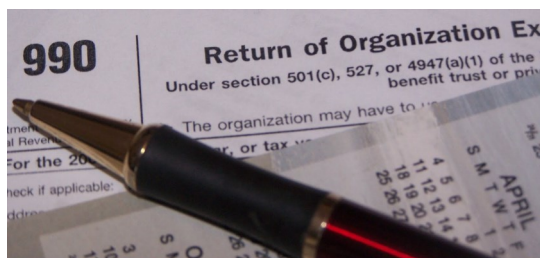


B. **Clark County 4-H Clubs and Committees Annual Financial Review & Audit: Complete and return by April 15.** 4-H Clubs and Committees with Non-Monetary Assets should document their Equipment, Supplies and Materials Inventory as part of this annual review.

C. **The OSU Extension, Clark County office will annually file your 4-H Club or Committee's 990 or 990N e-postcard with the IRS no later than May 15 for the previous 4-H (tax year).**

A copy of the filing results will be kept in your club file at the Extension Office and a copy will be provided to the club's organizational advisor for their files.

- Annual Gross Receipts exceeding 50,000 File IRS Form 990.
- Annual Gross Receipts less than \$50,000 File the IRS 990N (e-postcard)
- **As of 2016, Filing the 990 or 990-EZ or 990N (e-postcard) responsibility was given to OSU Extension County offices to provide better tracking and accountability of this required filing.**



**Ohio 4-H and Extension cannot provide professional tax advice .**



## Best Practices for Handling Clark County 4-H Club & Committee Finances

- **If a 4-H Club or Committee DISBANDS, the following should occur:** The funds in the 4-H Club or Committee treasury should be given to a worthy non-profit.
  - **The 4-H Club or Committee should make this decision!** Examples of non-profits: Clark County 4-H Advisory Committee, Clark County 4-H Endowment Fund, 4-H Camp Clifton, Ohio 4-H Foundation or any other 501c3 charity.
  - **The 4-H volunteer that is the contact for the 4-H Club's or Committee's EIN number should work with the Clark County Extension Office to file the 990 or 990N (e-postcard) for the last tax year.** Confirmation of the filing will be kept by the Clark County Extension Office in the club's file.
  - **After filing the last 990 or 990N (e-postcard) the 4-H volunteer that is the contact for the 4-H Club's or Committee's EIN number should contact the IRS to close the EIN account.**  
Refer to: <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Canceling-an-EIN-Closing-Your-Account>
- **If a 4-H Club votes to DIVIDE, the following should occur:**
  - If agreed on by the membership, the funds should be divided upon membership with equal shares per member going to the respective 4-H Club or Committee treasury.
  - If a club is divided without mutual agreement and can't decide on division of the club's treasury, the problem should be referred to the Clark Co. 4-H Advisory Committee & the Clark Co. 4-H Youth Development Educator.
- **The 4-H Club or Committee membership shall work with the Clark County 4-H Youth Development Extension Educator to distribute non-monetary assets.**
  - When a club splits, non-monetary assets will remain with the existing club and not transfer to the new club.
  - When a 4-H Club or Committee disbands and there is a disagreement on distribution of owned materials, the owned materials will be given to the Clark County 4-H Committee who will work with the Clark County 4-H Educator to make a final determination of distribution.
  - At no time shall individual 4-H members or volunteers be given money or materials in an effort to distribute them upon a 4-H Club or Committee disbanding or splitting.



## Best Practices for Handling Clark County 4-H Club & Committee Finances

- **If the 4-H Club or Committee needs to change contact information for your EIN, you should complete the following:**

- **DO NOT SUBMIT a second EIN application.**
- IRS requires that you send a letter, on your 4-H Club or Committee's letterhead providing the name and Taxpayer Identification Number (EIN) of the **CURRENT** contact person. Be sure to include the 4-H Club or Committee's complete name, EIN, and mailing address so that the IRS can correctly identify your IRS account. The 4-H Club or Committee should send the letter to the following IRS campus:

**Send Letter or Fax to: - Fax Number: 859-669-5748**  
**Internal Revenue Service**  
**Stop 343G**  
**Cincinnati, OH 45999**

**CONFIRMATION** – The IRS will send a letter confirming receipt of the updated information. If your 4-H Club or Committee has not received the confirmation letter within 60 days, you will need to fax a copy of the original letter, annotated "Second Request" to the above fax number.



- **If your 4-H Club or Committee seeks to apply for a grant or solicit sponsorships that may require proof of your 4-H Club or Committees tax exempt status you need to:**
  - Submit a request to the Clark County 4-H Extension Educator for an "emergency tax exemption letter". Please e-mail the reason for the request, EIN number, volunteer contact and mailing address.
  - The Clark County 4-H Extension Educator will then request an emergency letter on your behalf from Ohio 4-H.
  - Allow a minimum of two weeks for a special emergency tax exemption letter to be processed and mailed to you.
- **Questions: Contact the Clark County Extension 4-H Educator, Patty House, [house.18@osu.edu](mailto:house.18@osu.edu) or call 937-398-7599.**

Authored by: Patty House, OSU Extension, Clark County 4-H Extension Educator, 1/2015, Update 1/2024.

